

**STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU**

In the matter of:

Agency No. 339977

MICHAEL HANSON
CRD# 1494230

Respondent.

This 18th day of September, 2019

Issued and entered

**NOTICE OF INTENT TO REVOKE, SUSPEND, CONDITION, OR LIMIT
SECURITIES AGENT REGISTRATION**

I. RELEVANT FACTS AND APPLICABLE LAW.

Relevant information and statutory provisions, under the Michigan Uniform Securities Act (2002), 2008 PA 551, as amended, MCL 451.2101 *et seq* (the "Securities Act"):

1. Michael Hanson (CRD#1494230, "Respondent") is an individual who resides in the State of California. Respondent is presently registered in Michigan as a securities agent through Allstate Financial Services, LLC ("Allstate", CRD#18272), a Michigan-registered broker-dealer.
2. The Corporations, Securities & Commercial Licensing Bureau ("the Bureau") within the Michigan Department of Licensing and Regulatory Affairs began an investigation of Respondent's activities in the securities industry after a routine review of disclosures on the Central Registration Depository ("CRD") revealed that Respondent was the subject of a lien or civil judgment.
3. The Bureau requested that Respondent provide a balance sheet detailing his solvency or lack thereof. Respondent and Allstate have failed to provide a balance sheet as of the date of this Order. However, based on the fact that Respondent is the subject of a civil judgment, there is adequate evidence to find that he is unable to pay his obligations as they mature. The Director of the Bureau, who is the Administrator of the Securities Act ("Administrator"), finds that Respondent cannot pay obligations as they mature, and is therefore insolvent.
4. The Administrator has reviewed materials regarding Respondent's financial condition as it relates to his registration as an agent under the Securities Act. The Administrator has determined that it is authorized, appropriate, and in the public interest to revoke, suspend, condition, or limit Respondent's securities agent registration.

5. Section 412(2) of the Securities Act, MCL 451.2412(2), states in relevant part:

If the administrator finds that the order is in the public interest and subsection (4) authorizes the action, an order under this act may revoke, suspend, condition, or limit the registration of a registrant and if the registrant is a broker-dealer or investment adviser, of a partner, officer, director, or a person having a similar status or performing similar functions, or a person directly or indirectly in control of the broker-dealer or investment adviser...

6. Section 412(4) of the Securities Act, MCL 451.2412(4) states in relevant part:

(4) A person may be disciplined under subsections (1) to (3) if any of the following apply to the person:

(g) The person is insolvent, either because the person's liabilities exceed the person's assets or because the person cannot meet the person's obligations as they mature. The administrator shall not enter an order against an applicant or registrant under this subdivision without a finding of insolvency as to the applicant or registrant...

7. Section 412(7) of the Securities Act, MCL 451.2412(7), states:

(7) Except under subsection (6), an order shall not be issued under this section unless all of the following have occurred:

- (a) Appropriate notice has been given to the applicant or registrant.
- (b) Opportunity for hearing has been given to the applicant or registrant.
- (c) Findings of fact and conclusions of law have been made on the record pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

8. The Administrator may revoke, suspend, condition, or limit Respondent's securities agent registration pursuant to section 412(2) of the Securities Act, MCL 451.2412(2), because it is in the public interest, and because Respondent is insolvent, giving the Administrator cause to issue an order under sections 412(2) and 412(4)(g) of the Securities Act, MCL 451.2412(2) and MCL 451.2412(4)(g).

II. ORDER.

The Administrator finds that this ORDER is authorized, appropriate, and in the public interest based on the above-cited facts and law.

IT IS ORDERED as follows:

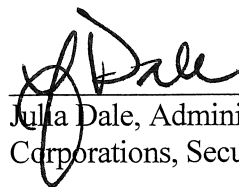
1. The Administrator intends TO REVOKE, SUSPEND, CONDITION, OR LIMIT THE SECURITIES AGENT REGISTRATION OF MICHAEL HANSON under section 412(2) of the Securities Act, MCL 451.2412(2), because he cannot pay obligations as they mature, causing him to be insolvent, which supports the revocation, suspension, conditioning, or limitation of his securities agent registration under the above-cited provisions of the Michigan Uniform Securities Act (2002), 2008 PA 551, MCL 451.2101 *et seq.*

2. In accordance with sections 412(2) and 412(7) of the Securities Act, MCL 451.2412(2) and MCL 451.2412(7): This is NOTICE that the Administrator intends to commence administrative proceedings to revoke, suspend, condition, or limit Respondent's securities agent registration, and that Respondent has thirty (30) days after the date that this Order is served on Respondent to respond in writing to the enclosed Notice of Opportunity to Show Compliance. If the Administrator timely receives a written request, depending upon the election, the Administrator shall either promptly schedule a compliance conference, or schedule a hearing within fifteen (15) days after receipt of the written request. If you fail to respond to this Notice and Order within the time frame specified, the Administrator shall schedule a hearing. If a hearing is requested or ordered, the Administrator, after notice of and an opportunity for hearing to Respondent, may modify or vacate this Order or extend the Order until final determination.

If Respondent requests a hearing, the request must be in writing and filed with the Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau, Regulatory Compliance Division, P.O. Box 30018, Lansing, MI 48909.

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

By:



Julia Dale, Administrator and Director
Corporations, Securities & Commercial Licensing Bureau

9/18/19
Date



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

ORLENE HAWKS
DIRECTOR

**RESPONDENT'S NOTICE OF OPPORTUNITY TO SHOW COMPLIANCE
OR REQUEST A FORMAL HEARING DATE**

Dated: September 19, 2019

MICHAEL HANSON
CRD #1494230

Agency No. 339977

Respondent.

_____/

You have been served with a Notice of Intent to Revoke, Suspend, Condition, or Limit Securities Agent Registration ("Order"), alleging that you violated the Michigan Uniform Securities Act (Act), 2008 PA 551, MCL 451.2101 *et seq.* The procedures in this matter shall be governed by the Act, procedural rules promulgated under the predecessor Uniform Securities Act, 1964 PA 265, MCL 451.501 *et seq.*, 1983 AACS, R 451.2101 through 451.3503, the Michigan Administrative Procedures Act, 1969 PA 306, MCL 24.201 *et seq.* and any other applicable laws.

Should you admit to the alleged violations, or are found responsible for violations after an administrative hearing, you are subject to penalties provided for in the Act. The Order and associated disciplinary records are subject to disclosure and publication to the public in accord with Section 11 of the Michigan Freedom of Information Act, 1976 PA 442, MCL 15.241. Publication may include posting of the disciplinary record on the Department's website or in other reporting formats.

Pursuant to Section 92(1) of the Administrative Procedures Act, MCL 24.292(1), and the administrative rules promulgated under the predecessor Uniform Securities Act, 1964 PA 265, 1983 AACS, R. 451.2401 through 451.2408, you may choose one of the following opportunities regarding this Order:

- (a) Meet with the Department to negotiate a resolution of the matter on **Tuesday, October 22, 2019 at 2:00pm. Please notify this office within 15 days if you choose this option.** If you select this option, the Compliance Conference will take place at **2501 Woodlake Circle, Okemos, Michigan 48864** on the first floor. Please check in with the front desk of the Corporations, Securities & Commercial Licensing Bureau.
- (b) Submit a written showing of compliance by **October 22, 2019.**
- (c) Request a contested case hearing within thirty (30) calendar days of the mailing date of this Order and Notice.

LARA is an equal opportunity employer/program.
Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU
P.O. BOX 30018• LANSING, MICHIGAN 48909
www.michigan.gov/lara

If you choose option (a), plan on attending the compliance conference, as scheduled, unless an earlier date is agreed upon by you and the Administrator. Upon written request, the Administrator may extend the time in which you may show compliance to avoid undue hardships. A showing of compliance may be made in writing or by a personal appearance at the scheduled meeting. You have the right, at your own expense, to have an attorney represent you in this conference and/or in preparing a written response. The primary purpose of the conference is to afford you with an opportunity to discuss the Order in an attempt to resolve the matter. Any statements made, either in the written response or at the meeting, may be used as evidence against you at any later proceedings.

If a resolution short of the complete withdrawal of the Order is reached at the conference, a Stipulation or Consent Order may be prepared for your signature. The signed Stipulation or Consent Order will be submitted to the Administrator for acceptance or rejection. You will be notified as to whether the Administrator accepts or rejects the proposed resolution. If a resolution is not reached at the conference, the matter will proceed to a contested case hearing.

If you choose option (c), or you fail to respond to the Order within the time frame specified, the matter will be scheduled for a contested case hearing before an administrative law judge. You have the right, at your own expense, to have an attorney represent you at the hearing. Following the hearing, the administrative law judge will issue a Proposal for Decision. The Proposal for Decision will be forwarded to the Administrator for his review and the issuance of a Final Order in this matter.

Please do not telephone our office to discuss the specifics of the Order. We cannot provide you with legal advice. You may contact (517) 241-9590 with procedural questions about the Order.

For your convenience, enclosed is a Compliance Conference Election Form to be completed and returned to this office indicating your selection. All correspondence should be addressed to Corporations, Securities & Commercial Licensing Bureau, Regulatory Compliance Division – Attn: Support & Scheduling Unit, P.O. Box 30018, Lansing, Michigan 48909. **If you fail to respond to this Notice and Order, a contested case hearing will be requested and scheduled.**

COMPLIANCE CONFERENCE ELECTION FORM
Agency No. 339977

I wish to:

_____ Meet with the Department to negotiate a resolution of the matter on
October 22, 2019 at 2:00pm at 2501 Woodlake Circle, Okemos,
Michigan 48864.

_____ Submit a written showing of compliance by **October 22, 2019.**

_____ Proceed directly to a contested case hearing.

Dates **unavailable** to attend conference/hearing: _____

If you fail to respond, attend the scheduled compliance conference or to request a contested case hearing within 30 calendar days, a contested case hearing will be requested and scheduled.

Printed Name

Phone No.

Email Address

Signature

Date

This form must be signed by the respondent or his/her attorney if an individual or sole proprietorship, or by an individual legally authorized to do so on behalf of the respondent if the respondent is a partnership, limited liability company (L.L.C.), or corporation.

Please do not telephone our office to discuss the specifics of the Order. We cannot provide you with legal advice. You may contact (517) 241-9590 with procedural questions about the Order.

Return this form and/or any written response to:

Corporations, Securities & Commercial Licensing Bureau
Regulatory Compliance Division
P.O. Box 30018
Lansing, Michigan 48909
Fax: (517) 241-0290